3510-DS-P



#### **DEPARTMENT OF COMMERCE**

**International Trade Administration** 

[C-570-054]

Certain Aluminum Foil from the People's Republic of China: Preliminary Results of Countervailing Duty Administrative Review and Rescission of Review, in Part; 2021

**AGENCY:** Enforcement and Compliance, International Trade Administration, Department of Commerce.

**SUMMARY:** The Department of Commerce (Commerce) preliminarily determines that producers and exporters of certain aluminum foil (aluminum foil) from the People's Republic of China (China) received countervailable subsidies during the period of review (POR), January 1, 2021, through December 31, 2021.

**DATES:** Applicable [INSERT DATE OF PUBLICATION IN THE *FEDERAL REGISTER*]. **FOR FURTHER INFORMATION CONTACT:** Natasia Harrison, AD/CVD Operations, Office VI, Enforcement and Compliance, International Trade Administration, U.S. Department of Commerce, 1401 Constitution Avenue, NW, Washington, DC 20230; telephone: (202) 482-1240.

#### **SUPPLEMENTARY INFORMATION:**

#### **Background**

On June 9, 2022, Commerce published a notice of initiation of an administrative review of the order, 1 covering the requested companies. 2 As explained below, on September 7, 2022, the Aluminum Association Trade Enforcement Working Group (the petitioners) withdrew their

<sup>1</sup> See Certain Aluminum Foil from the People's Republic of China: Amended Final Affirmative Countervailing Duty Determination and Countervailing Duty Order, 83 FR 17360 (April 19, 2018) (Order).

<sup>&</sup>lt;sup>2</sup> See Initiation of Antidumping and Countervailing Duty Administrative Reviews, 87 FR 35165 (June 9, 2022) (Initiation Notice).

review requests with respect to certain companies.<sup>3</sup> On December 8, 2022, Commerce extended the deadline for completion of these preliminary results until no later than April 28, 2023.<sup>4</sup>

For a complete description of the events that followed the initiation of this review, *see* the Preliminary Decision Memorandum.<sup>5</sup> A list of topics discussed in the Preliminary Decision Memorandum is included appendix I to this notice. The Preliminary Decision Memorandum is a public document and is on file electronically via Enforcement and Compliance's Antidumping and Countervailing Duty Centralized Electronic Service System (ACCESS). ACCESS is available to registered users at <a href="http://access.trade.gov">http://access.trade.gov</a>. In addition, a complete version of the Preliminary Decision Memorandum can be accessed directly at <a href="https://access.trade.gov/public/FRNoticesListLayout.aspx">https://access.trade.gov/public/FRNoticesListLayout.aspx</a>.

## Scope of the *Order*

The product covered by the *Order* is aluminum foil from China. For a complete description of the scope of the *Order*, *see* the Preliminary Decision Memorandum.

### Methodology

Commerce is conducting this review in accordance with section 751(a)(l)(A) of the Tariff Act of 1930, as amended (the Act). For each of the subsidy programs found countervailable, we preliminarily determine that there is a subsidy, *i.e.*, a financial contribution by an "authority" that gives rise to a benefit to the recipient, and that the subsidy is specific.<sup>6</sup> For a full description of the methodology underlying our conclusions, *see* the accompanying Preliminary Decision Memorandum.

<sup>&</sup>lt;sup>3</sup> See Petitioners' Letter, "Petitioners' Partial Withdrawal of Requests for Administrative Reviews," dated September 7, 2022 (Petitioners' Withdrawal of Review Requests).

<sup>&</sup>lt;sup>4</sup> See Memorandum, "Extension of Deadline for Preliminary Results of Countervailing Duty Administrative Review; 2021," dated December 8, 2022.

<sup>&</sup>lt;sup>5</sup> See Memorandum, "Decision Memorandum for the Preliminary Results of the Countervailing Duty Administrative Review of Certain Aluminum Foil from the People's Republic of China; 2021," dated concurrently with, and hereby adopted by, this notice (Preliminary Decision Memorandum).

<sup>&</sup>lt;sup>6</sup> See sections 771(5)(B) and (D) of the Act regarding financial contribution; section 771(5)(E) of the Act regarding benefit; and section 771(5A) of the Act regarding specificity.

Commerce notes that, in making these findings, it relied, in part, on facts available and, because it finds that the Government of China did not act to the best of its ability to respond to Commerce's requests for certain information, it drew an adverse inference, where appropriate, in selecting from among the facts otherwise available. For further information, *see* the Preliminary Decision Memorandum at "Use of Facts Otherwise Available and Adverse Inferences."

The subsidy rate calculated in these preliminary results for the mandatory respondent reflects an entered value adjustment.<sup>7</sup>

#### Rescission of Administrative Review, in Part

Pursuant to 19 CFR 351.213(d)(1), Commerce will rescind an administrative review, in whole or in part, if the party or parties that requested a review withdraw the request within 90 days of the publication date of the notice of initiation of the requested review. As noted above the petitioners timely withdrew their requests for review of certain companies.<sup>8</sup>

Because no other party requested a review of these 15 companies, and in accordance with 19 CFR 351.213(d)(1), we are rescinding the review with respect to these companies (*see* appendix II).

#### Preliminary Results of Review

Commerce preliminarily determines that, during the POR, the following countervailable subsidy rates exist:

<sup>&</sup>lt;sup>7</sup> See Preliminary Decision Memorandum at "Entered Value Adjustment," for a discussion of the methodology.
<sup>8</sup> See Petitioners' Withdrawal of Review Requests. The petitioners also withdrew their request for review for three companies which were found to be cross-owned with Jiangsu Zhongji Lamination Materials Stock Co., Ltd. in a prior segment of this proceeding. These companies are: Anhui Maximum Aluminium Industries Company Ltd., Jiangsu Huafeng Aluminum Industry Co., Ltd. and Shantou Wanshun Package Material Stock Co., Ltd. See
Petitioners' Withdrawal of Review Requests at 3-4. During the course of this review, we determined that Anhui Maximum Aluminium Industries Company Ltd. and Shantou Wanshun Package Material Stock Co., Ltd. changed their names to Anhui Zhongji Battery Foil Science & Technology Co., Ltd. (aka Anhui Zhongji Battery Foil Sci&Tech Co., Ltd.) and Shantou Wanshun New Material Group Co., Ltd. (f/k/a Shantou Wanshun Package Material Stock Co., Ltd.), respectively. Thus, these three companies are included in the "Preliminary Results of Review" section below under their updated company names, as applicable, and preliminarily determined to be cross-owned with Jiangsu Zhongji Lamination Materials Stock Co., Ltd.

Company	Subsidy Rate (percent ad valorem)
Anhui Zhongji Battery Foil Science & Technology Co., Ltd. (aka Anhui Zhongji Battery Foil Sci&Tech Co., Ltd.); Jiangsu Huafeng Aluminum Industry Co., Ltd.; Jiangsu Zhongji Lamination Materials Co., Ltd. (f/k/a Jiangsu Zhongji Lamination Materials Stock Co., Ltd.); Jiangsu Zhongji Lamination Materials Co., (HK) Limited; and Shantou Wanshun New Material Group Co., Ltd. (f/k/a Shantou Wanshun Package Material Stock Co., Ltd.) <sup>9</sup>	24.3710
Dingsheng Aluminum Industries (Hong Kong) Trading Co., Ltd.; Hangzhou DingCheng Aluminum Co., Ltd.; Hangzhou Dingsheng Import & Export Co. Ltd.; Hangzhou Dingsheng Industrial Group Co. Ltd.; Hangzhou Five Star Aluminium Co., Ltd.; Hangzhou Teemful Aluminum Co., Ltd.; Jiangsu Dingsheng New Materials Joint-Stock Co., Ltd.; Luoyang Longding Aluminium Industries Co., Ltd.; and Walson (HK) Trading Co., Limited. <sup>11</sup>	25.2012
Shanghai Shenyan Packaging Materials Co., Ltd.	25.2013

#### Assessment Rates

Consistent with section 751(a)(2)(C) of the Act, upon issuance of the final results,

Commerce shall determine, and U.S. Customs and Border Protection (CBP) shall assess,

countervailing duties on all appropriate entries covered by this review. We intend to issue

assessment instructions to CBP no earlier than 35 days after the date of publication of the final

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<sup>&</sup>lt;sup>9</sup> In the first administrative review of the *Order*, Commerce found the following companies to be cross-owned: Anhui Maximum Aluminium Industries Company Ltd.; Jiangsu Huafeng Aluminum Industry Co., Ltd.; Jiangsu Zhongji Lamination Materials Co., Ltd. (f/k/a Jiangsu Zhongji Lamination Materials Stock Co., Ltd.); Jiangsu Zhongji Lamination Materials Co., (HK) Ltd.; Shantou Wanshun Package Material Stock Co., Ltd.; and Anhui Maximum Aluminium Industries Company Ltd. The subsidy rate applies to all cross-owned companies. *See Certain Aluminum Foil from the People's Republic of China: Final Results of the Countervailing Duty Administrative Review; 2017–2018*, 86 FR 12171 (March 2, 2021). While the petitioners withdrew their review requests for Anhui Maximum Aluminium Industries Company Ltd., Jiangsu Huafeng Aluminum Industry Co., Ltd., and Shantou Wanshun Package Material Stock Co., Ltd., because these companies were previously found to be cross-owned with a company which is subject to this review, we preliminarily intend not to rescind the review with respect to these companies.

<sup>&</sup>lt;sup>10</sup> This net countervailable *ad valorem* subsidy rate reflects an entered value adjustment (EVA). *See* Preliminary Decision Memorandum at 8-9.

<sup>&</sup>lt;sup>11</sup> In the investigation, Commerce found the following companies to be cross-owned: Dingsheng Aluminum Industries (Hong Kong) Trading Co., Ltd.; Hangzhou DingCheng Aluminum Co., Ltd.; Hangzhou Dingsheng Import & Export Co. Ltd.; Hangzhou Dingsheng Industrial Group Co. Ltd.; Hangzhou Five Star Aluminium Co., Ltd.; Hangzhou Teemful Aluminum Co., Ltd.; Jiangsu Dingsheng New Materials Joint-Stock Co., Ltd.; Luoyang Longding Aluminium Co., Ltd.; and Walson (HK) Trading Co., Limited. The subsidy rate applies to all cross-owned companies. *See Order*.

<sup>&</sup>lt;sup>12</sup> This reflects the net countervailable *ad valorem* subsidy rate without the EVA. *See* Preliminary Decision Memorandum at 8-9.

<sup>&</sup>lt;sup>13</sup> This reflects the net countervailable *ad valorem* subsidy rate without the EVA. *See* Preliminary Decision Memorandum at 8-9.

results of this review in the *Federal Register*. If a timely summons is filed at the U.S. Court of International Trade, the assessment instructions will direct CBP not to liquidate relevant entries until the time for parties to file a request for a statutory injunction has expired (*i.e.*, within 90 days of publication).

For the companies for which this review is rescinded with these preliminary results, Commerce will instruct CBP to assess countervailing duties on all appropriate entries at a rate equal to the cash deposit of estimated countervailing duties required at the time of entry, or withdrawal from warehouse, for consumption, during the period January 1, 2021, through December 31, 2021, in accordance with 19 CFR 351.212(c)(l)(i). Commerce intends to issue appropriate assessment instructions directly to CBP no later than 35 days after publication of this notice in the *Federal Register*.

#### Cash Deposit Requirements

Pursuant to section 751(a)(1) of the Act, upon issuance of the final results, Commerce intends to instruct CBP to collect cash deposits of estimated countervailing duties for each of the companies listed above on shipments of subject merchandise entered, or withdrawn from warehouse, for consumption on or after the date of publication of the final results of this administrative review, except where the rate calculated in the final results is zero or *de minimis*, no cash deposit will be required. For all non-reviewed firms, we will instruct CBP to continue to collect cash deposits of estimated countervailing duties at the most recent company-specific or all-others rate applicable to the company, as appropriate. These cash deposit instructions, when imposed, shall remain in effect until further notice.

#### Disclosure and Public Comment

We will disclose to parties to this proceeding the calculations performed in reaching the preliminary results within five days of the date of publication of these preliminary results.<sup>14</sup>

Interested parties may submit written comments (case briefs) within 30 days of publication of the

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<sup>&</sup>lt;sup>14</sup> See 19 CFR 224(b).

preliminary results and rebuttal comments (rebuttal briefs) within seven days after the time limit for filing case briefs. Pursuant to 19 CFR 351.309(d)(2), rebuttal briefs must be limited to issues raised in the case briefs. Parties who submit arguments are requested to submit with the argument: (1) a statement of the issue; (2) a brief summary of the argument; and (3) a table of authorities. Note that Commerce has modified certain of its requirements for serving documents containing business proprietary information, until further notice. 17

Pursuant to 19 CFR 351.310(c), interested parties who wish to request a hearing must submit a written request to the Assistant Secretary for Enforcement and Compliance, U.S. Department of Commerce, within 30 days after the date of publication of this notice. Requests should contain the party's name, address, and telephone number, the number of participants, whether any participant is a foreign national, and a list of the issues to be discussed. Issues addressed during the hearing will be limited to those raised in the briefs. If a request for a hearing is made, Commerce will inform parties of the scheduled date of the hearing. Parties should confirm by telephone the date, time, and location of the hearing two days before the scheduled date.

Parties are reminded that all briefs and hearing requests are to be filed electronically using ACCESS and received successfully in their entirety by 5:00 p.m. Eastern Time on the due date.

Unless the deadline is extended pursuant to section 751(a)(3)(A) of the Act, Commerce intends to issue the final results of this administrative review, including the results of our analysis of the issues raised by the parties in their comments, within 120 days after publication of these preliminary results.

<sup>&</sup>lt;sup>15</sup> See 19 CFR 351.309(c)(1)(ii) and (d)(1); see also Temporary Rule Modifying AD/CVD Service Requirements Due to COVID-19; Extension of Effective Period, 85 FR 41363 (July 10, 2020) (Temporary Rule).

<sup>&</sup>lt;sup>16</sup> See 19 CFR 351.309(c)(2) and (d)(2).

<sup>&</sup>lt;sup>17</sup> See Temporary Rule.

<sup>&</sup>lt;sup>18</sup> See 19 CFR 351.310(c).

<sup>&</sup>lt;sup>19</sup> See 19 CFR 351.310(c).

<sup>&</sup>lt;sup>20</sup> See 19 CFR 351.310.

# Notification to Interested Parties

This administrative review and notice are in accordance with sections 751(a)(1) and 777(i)(1) of the Act and 19 CFR 351.213 and 351.221(b)(4).

**Dated:** April 27, 2023.

# Lisa W. Wang,

Assistant Secretary for Enforcement and Compliance.

### Appendix I

## List of Topics Discussed in the Preliminary Decision Memorandum

- I. Summary
- II. Background
- III. Rescission of Administrative Review, in Part
- IV. Non-Selected Companies Under Review
- V. Scope of the Order
- VI. Diversification of China's Economy
- VII. Subsidies Valuation
- VIII. Interest Rate Benchmarks, Discount Rates, and Benchmarks For Measuring the Adequacy of Remuneration
- IX. Use of Facts Otherwise Available and Adverse Inferences
- X. Analysis of Programs
- XI. Recommendation

# **Appendix II**

### **Companies Rescinded from Review**

- (1) Alcha International Holdings Limited;
- (2) Baotou Alcha Aluminum Co., Ltd.

- (3) Gränges Aluminum (Shanghai) Co., Ltd.;
- (4) Guangxi Baise Xinghe Aluminum Industry Co., Ltd.;
- (5) Hunan Suntown Marketing Limited;
- (6) Jiangyin Dolphin Pack Ltd. Co.;
- (7) Shandong Yuanrui Metal Material Co., Ltd.;
- (8) Shanghai Huafon Aluminium Corporation;
- (9) SNTO International Trade Limited;
- (10) Suntown Technology Group Corporation Limited;
- (11) Xiamen Xiashun Aluminum Foil Co., Ltd.;
- (12) Yantai Donghai Aluminum Co., Ltd.;
- (13) Yantai Jintai International Trade Co., Ltd.;
- (14) Yinbang Clad Material Co., Ltd.;
- (15) Zhejiang Zhongjin Aluminum Industry Co., Ltd.

[FR Doc. 2023-09426 Filed: 5/3/2023 8:45 am; Publication Date: 5/4/2023]